

through operation of the Plan and Fund.

- h. To review reports of all custodians, investment agent(s), performance monitors and other financial advisor at such times as the Board, by rule, shall determine.
- i. To determine or have determined that the Plan complies at all times with the provisions of Florida law both substantively and in operation, and including the following:
 - (1) To set forth in writing the retirement plan including the benefits and trust agreement, if any, covering the duties and responsibilities of the Trustees and the regulations of the investment of funds and to make copies available to participants and to the general public.
 - (2) Assure that any contributions are deposited into the Trust Fund.
 - (3) Assure that all necessary reports are filed with the State of Florida.
 - (4) Have actuarial valuations performed on a regular basis. Have special actuarial work performed in advance so as to determine costs of any Plan changes or Amendments prior to their adoption.
 - (5) Establish a uniform procedure for prompt review and rehearing of all claims by Members or Beneficiaries.
- j. To maintain a minute book containing the minutes and records of proceedings and meeting of the Board.
- k. To perform such other duties as are specified in this Ordinance.

Section 8. Finances and Fund Management.

- 1. Establishment and Operation of Fund

- a. As part of the Plan, there is hereby established the Fund, into which shall be deposited any contributions and assets whatsoever attributable to the plan, including the assets attributable to the Predecessor Plan.
- b. The actual custody and supervision of the Fund (and assets thereof) shall be vested in the Board of Trustees. Payment of benefits and disbursements from the Fund shall be made by the disbursing agent on authorization from the Board.
- c. All funds and securities of the Fund shall be deposited by the Board in a qualified public depository as defined in Section 280.02, Fla. Stat., which depository with regard to such funds and securities shall conform to and be bound by all provisions of Chapter 280. In order to fulfill its investment responsibilities, the Board shall retain the services of a competent money manager/brokerage firm which is registered as an investment advisor under the Investment Advisors Act of 1940. The investment manager shall have full discretion, within allocation guidelines set by the Board in the investment of all Fund assets consistent with the provisions of Florida Law. The investment advisor shall be authorized to invest funds of the Plan in equities in an amount not to exceed seventy (70%) percent of the net asset value of the Plan.
- d. All funds and securities of the Plan may be commingled in the Fund provided that accurate records are maintained at all times reflecting the financial composition of the Fund, including accurate current accounts and entries as regard the following:
 - (1) Current amounts of Accumulated Contributions of Members on both an individual and aggregate account basis;
 - (2) Receipts and disbursements;

- (3) Benefit payments;
 - (4) Applicable contributions;
 - (5) All interest, dividends and gains (or losses) whatsoever; and
 - (6) Such other entries as may be properly required so as to reflect a clear and complete financial report of the Fund.
- e. The Board of Trustees shall have the following investment powers and authority:
- (1) The Board of Trustees shall be vested with full legal title to said Fund, subject however, and in any event to the authority and power of the Town Commission to amend or terminate this Trust, provided that no amendment or Fund termination shall ever result in the use of any assets of this Fund except for the payment of regular expenses and benefits under this Plan. All contributions from time to time paid into the Fund, and the income thereof, without distinction between principal and income, shall be held and administered by the Board or its agent in the Fund and the Board shall not be required to segregate or invest separately any portion of the Fund.
 - (2) The Fund assets may be invested and reinvested in:
 - (a) Obligations of the United States or obligations guaranteed as to principal and interest by the United States.
 - (b) Bonds issued by the State of Israel.
 - (c) Bonds, stocks, or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia,

provided:

- (i) the corporation is listed on any one or more of the recognized national stock exchanges and, with regard to bonds, holds a rating in one of the three highest classifications by a major rating service,
 - (ii) The Board of Trustees shall not invest more than 5% of its assets in the common stock or capital stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5 percent of the outstanding capital stock of the company; and no more than 70% of the Fund's assets at cost be invested in equities; and
 - (ii) up to 10% (ten percent) of the assets of the Fund may be invested in foreign equities.
- (3) The Board of Trustees may retain in cash and keep unproductive of income such amount of the Fund as it may deem advisable, having regard for the cash requirements of the Plan.
- (4) Part of the Fund may be invested in deposits which bear a reasonable rate of interest in a bank or similar financial institution, even though such institution is a custodian or investment advisor with respect to the Plan,
- (5) The Fund may be invested in a common or collective trust fund or pooled investment fund maintained by a bank or trust company or a pooled Investment fund of an insurance company qualified to do business in the State even though such bank, trust company or insurance company is a custodian or investment advisor with respect to the Plan, provided such bank,

trust company or insurance company receives not more than reasonable compensation. No such pooled investment shall be secured by investments in any stocks bonds or other securities owned or controlled by a government other than that of the United States or of the several states.

- (6) The Board shall cause any investment in securities held by it to be registered in or transferred into its name as Trustee or into the name of the custodian's nominee as it may direct, or the custodian may retain them unregistered and in form permitting transferability, but the books and records shall at all times show that all investments are part of the Trust Fund.
- (7) The Board is empowered to vote upon any stocks, bonds, or securities of any corporation, association, or trust and to give general or specific proxies or powers of attorney with or without power of substitution; to participate in mergers, reorganizations, recapitalization, consolidations, and similar transactions with respect to such securities, to deposit such stock or other securities in any voting trust or any protective or like committee or with the Trustees or with depositories designated thereby; to amortize or fail to amortize any part or all of the premium or discount resulting from the acquisition or disposition of assets; and generally, to exercise any of the powers of the owner with respect to stocks, bonds, or other investments, comprising the Fund which it may deem to be to the best interest of the Fund to exercise. However, the responsibility to vote these proxies may be delegated to a fiduciary of the Fund.

- (8) The Board shall not be required to make any inventory or appraisal or report to any court, nor to secure any order of court for the exercise of any power herein contained.
 - (9) Any overpayments or underpayments from the Fund to a Member or Beneficiary caused by errors of computation shall be adjusted with interest at a rate per annum approved by the Board. Overpayment shall be charged against payments next succeeding the correction. Underpayments shall be made up from the Trust Fund.
 - (10) The Board shall sustain no liability whatsoever for the sufficiency of the Fund to meet the payments and benefits herein provided for.
 - (11) In any application to or proceeding or action in the courts, only the Town and the Board shall be necessary parties, and no Member or other person having an interest in The Fund shall be entitled to any notice of service or process. Any judgment entered in such a proceeding or action shall be conclusive upon all persons.
- f. Any of the foregoing powers and functions reposed in the Board may be performed or carried out by the Board through duly authorized agents, provided that the Board at all times maintains continuous supervision over the acts of any such agent; provided further, that legal title to said Fund shall always remain in the Board of Trustees.

Section 9. Repeal or Termination of Plan.

- 1. In accordance with Florida Statutes §185.38, this Plan must remain in effect until the